GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2007
ANSWERED ON:09.03.2001
PAY STRUCTURE OF EMPLOYEES IN RRBS
SHIVRAJ SINGH CHOUHAN

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has constituted any committee for reviewing the present pay structure of the staff of Regional Rural Banks;

(b) if so, the terms of reference made to this committee alongwith the names of Members of this Committee and the time by which the Committee is likely to present its report;

(c) whether any interim report has been presented by this Committee; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a),(b),(c) & (d) : Presumably, the Hon`ble Member is referring to the Mahalik Committee which was constituted by Reserve Bank of India (RBI) on 5th November, 1996.As per the terms of reference, the Committee was required to make recommendations on the changes in the present structure of emoluments of RRB employees that are feasible and also on the desirability and feasibility of introducing a performance linked incentive for Regional Rural Banks (RRBs).In making its recommendations, the Committee was required to keep in view the wide difference in the performance of various RRBs.It was also required to consult the shareholders, the employees and other interested bodies like depositors/borrowers, associations. The Committee headed by Shri S.C. Mahalik with Kum. V. Vishwanathan and Shri J.V. Shetty as members. The Committee had submitted its report to Reserve Bank ofIndia (RBI), which was forwarded to Government of India alongwith RBI`s observations on 17th May, 1997. However, All India Regional Rural Bank Employees Association (AIRRBEA) and an employee of Tungabhadra Gramin Bank, Bellery (Karnataka) had filed a Writ Petition ir the Karnataka High Court, which quashed the report of Mahalik Committee.The Union of India had filed an Appeal in Division Bench of Karnataka High Court.